

Summary Notes

2002 Regional WIA Reauthorization Forums

Chicago, IL Forum

May 7, 2002

The U.S. Department of Labor, Employment and Training Administration scheduled a series of public forums in March - May 2002 to hear comments on issues related to the reauthorization of the Workforce Investment Act (WIA). A public forum was held in Chicago, Illinois on May 7, 2002 at the Embassy Suites O'Hare-Rosemont. A total of 38 participants attended and 10 participants made comments. Also in attendance were representatives from the ETA Division of One-Stop Operations (National Office), the ETA Region V Office, and Technical Assistance and Training Corporation (TATC).

The session was introduced as follows:

- **Welcome and Introductions**
Lisa Rosendale, Adult Services Supervisor
Employment and Training Administration, Region V

Tom Schindler
Administration for Children and Families, Region V
U.S. Department of Health and Human Services
- **Overview of Reauthorization Issues and Process**
Mason Bishop, Special Advisor to the Assistant Secretary
Employment and Training Administration
- **Explanation of Public Comment Process**
Ed Trumbull, TATC Facilitator

Ed Trumbull moderated the public comment session that followed. Pre-registered speakers were invited to present their comments first. Ten speakers presented oral comments, some of whom submitted written comments to supplement their presentations. The summary below considers only the comments recorded during the forum. Written comments will be summarized in the final report to be submitted at a later date.

Comments are categorized according to the topics in the *Discussion Guide on WIA Reauthorization Issues*:

- I. Business Engagement
- II. Governance / State Flexibility
- III. Linking WIA with TANF and other Partner Programs
- IV. One-Stop Career Centers
- V. Unemployment Insurance / Employment Service Reform and the One-Stop System
- VI. Improved Opportunities for Training

In addition, participants were asked, “If you could change one thing about WIA, what would it be?”

I. Business Engagement

- Labor market intermediaries have spent years developing expertise and long-term relationships with businesses through customized training. WIA set up the unrealistic expectation that One-Stop Centers would take over the primary responsibility for these kinds of labor market exchanges. No One-Stop Center or single provider can possibly understand every sector because our local economy is so diverse. WIA should allow the flexibility to build upon existing experience and relationships. *Local Advocacy Organization*
- Current WIA regulations about incumbent worker and customized training need to be more flexible to meet business needs. The sequence of services and eligibility requirements are burdensome to employers. *Local Government Agency*
- Employers are getting the job done but don’t have a forum. On Boards, the compliance issues cloud the focus and clutter the time. Unless there is a better venue to discuss service delivery, business won’t be engaged. *Local Workforce Investment Board (WIB) Staff*
- WIA should retain its emphasis on meeting business needs because that’s where jobs are. *Local Government Agency*

II. Governance / State Flexibility

Flexibility and Concerns Regarding Funding

- WIA needs reliable funds without threats of cutbacks. It is also under-funded and needs more funding. Funding increases should target low-income people. *National Advocacy Organization*
- WIA represented the first major reform in 15 years and locals had to create new systems for service delivery, performance tracking, and funding. Locals embraced this and were ambitious about partnering with other agencies, but the Federal commitment has been unstable, as funding cuts continue to threaten the programs. *Local Advocacy Organization*
- Local areas need “patient” money. Our city has an effective employment and training agency and WIB, but we have had many challenges with start-up, including an antiquated client data tracking system, One-Stops with too limited space to make continuous improvement plans viable, and a slow process for certifying training providers. We have plans in place and staff committed to solve these problems, but it takes time. *Local Advocacy Organization*

- Funding for programs should be based on need *and* performance. *Local Advocacy Organization*
- Self-sufficiency is not attainable with the current level of resources. We can't serve people forever. Large, unfounded goals are counterproductive for everyone. *Local Non-Profit Service Provider*
- WIA should require states to set a formula allocating a portion of their funds for universal services and dislocated workers. *Local Government Agency*
- Cutting WIA funding will hurt workers and destroy years of progress, especially in a period of increased unemployment. WIA should preserve current funding levels. *Local Government Agency*
- Timeliness of general and grant funding is a problem. Funding tends to be based on history, not the current situation. There are structures and constraints, but we need to work to eliminate and streamline them. *Local Government Agency*

Balancing State and Local Administration of the System

- There should be a broad range of flexibility at the local level. We would encourage allowing states and local areas the flexibility to design programs in response to local needs. *National Advocacy Organization*
- Locals should get the same amount of flexibility as states. *Local Government Agency*
- Local flexibility is a good idea to retain in WIA. *Local Government Agency*

Workforce Investment Boards' Role and Membership

- Sever WIB authority and accountability for WIA Title I programs (Adults, Dislocated Workers, and Youth). Fund the staffs perhaps out of a direct grant—get out of this administrative fee basis. Or you could also cut those staffs at that point. *Local Workforce Investment Board (WIB) Staff*
- I do not agree at all that there is too much funding for infrastructure. Going from 20% down to 10% for allowable administrative costs is really tough. Most of my 3.5 staff members concern themselves with program compliance and accountability. Not much staff time is left for meeting employer needs. Wagner-Peyser would be the best to do the latter, or maybe Perkins Act agencies. *Local WIB Staff*
- Authority should go with responsibility. Local Boards are responsible for performance, but have no authority over partners. *Local Government Agency*
- Local WIBs are limited by lack of authority. They have responsibility for programs that they have no authority over. Many good business members are getting frustrated. *Local WIB Staff*

General Comments Regarding Flexibility and Governance

- An individual's path to employment and self-sufficiency is an individual path, so systems need to be flexible and allow services to be packaged to meet individual needs. *Local Advocacy Organization*
- Communities and constituents who benefit from the programs should be included in decision-making. *Local Advocacy Organization*
- In the interest of consolidation, WIA created a bureaucratic nightmare and brought in mandatory partners without buy-in. There is a radical disconnect between rhetoric, reality, and resources. We say that the system can serve everyone, but resources are limited. Look from the ground up, not the top down. *Local Non-Profit Service Provider*

III. Linking WIA with TANF and other Partner Programs

Partnership

- A comprehensive workforce development system needs to include traditionally separate areas of income support, job training, and economic development. *Local Advocacy Organization*
- All One-Stop partners should pay the costs of the One-Stop system. Right now most don't pay anything. *Local Non-Profit Service Provider*
- There is not enough guidance on collaboration. Partners in some states are of lesser quality. Commitment levels of mandatory partners vary drastically. DOL should set higher thresholds for partner participation requirements. (Michigan can serve as a model for this.) *Local Government Agency*
- We somehow need to collapse the number of statutory programs. E.g., Perkins Act could house most youth programs. Employment Service / Wagner-Peyser could house other programs. This is radical, but needed for the long-term future of the workforce development system in the eyes of the populace. *Local Workforce Investment Board (WIB) Staff*
- Mandatory partners are like a shotgun marriage. WIA should create incentives for partners to cooperate voluntarily. *Local Government Agency*

Developing "Commonalities"

- Effective WIA-TANF linkages will require uniform standards for customer assessment and information collection, so that job seekers don't have to repeat these processes as they move through the system. *Local Advocacy Organization*
- Shared data on clients is essential. This needs to be legislated. *Local WIB Staff*

WIA-TANF Linkages

- We support WIA-TANF linkages in theory, but they are not working in reality. The purposes of these two programs conflict. The purpose of TANF is to reduce dependency on government benefits, so caseload reduction is its highest priority

in most states. The result is that most former recipients are still in poverty, whether they are employed or not. The purposes of WIA are better: more employment, retention, and earnings, and occupational skill attainment. Coordination would not be such a problem if the agencies were on the same page about purposes and desired outcomes. What is valued and what is measured needs to be coordinated. For a functional, coordinated system, WIA, TANF and other programs must have poverty reduction and individual family well-being as their highest priorities. *National Advocacy Organization*

- Having WIA be the primary deliverer of TANF employment and training services is not a bad idea, but if no TANF recipients can access them, that is a problem. The more complicated question than who is providing the services is: who is allowed to access services, and when and how? That has to do with program philosophies. *National Advocacy Organization*
- Our state made TANF and Food Stamp employment and training programs mandatory WIA partners. But in practice, that hasn't done much to coordinate these programs. TANF recipients are sent to One-Stops, but TANF dollars are not. There are pros and cons to sharing TANF funds in One-Stops. We want to make sure that if this sharing happens, TANF recipients would get the targeted employment and training services they need. *Local Advocacy Organization*
- WIA and TANF's mission and goals must be aligned around poverty reduction and self-sufficiency before these programs can be linked effectively. *Local Advocacy Organization*
- For WIA-TANF linkages to work, program services should be delivered by the organizations best suited to the job. *Local Advocacy Organization*
- We would support WIA-TANF coordination, if it can be done effectively, in order to afford TANF recipients equal access to consumer information, more opportunities, and customer choice. *Local Advocacy Organization*
- Integration of TANF is inconsistent from state to state. TANF clients have not benefited sufficiently from One-Stops. WIA should give more guidance on how to integrate TANF into state and local workforce development systems. TANF should contribute appropriately to One-Stops for TANF client services. *Local Government Agency*
- TANF ought to be a required federal WIA partner. *Local WIB Staff*
- It is good to coordinate, but not consolidate, TANF and WIA. WIA is not a welfare program and if it is perceived that way, it would defeat the purpose of WIA. *Local Government Agency*
- Some of the tension between mandated partners is because of money. TANF has a lot of funding, while WIA is under-funded. But it is not realistic to expect all TANF agencies to contribute to One-Stops. The TANF agency in my state does not do enough for employment and training, but it does invest a lot in supportive services like childcare. WIA needs more of its own money and to target it to under-served populations. *National Advocacy Organization*

Job Retention and Advancement

- Existing training programs do not always adequately address the needs of low-income people. *National Advocacy Organization*
- WIA needs to target funding for transitional jobs (short-term, publicly subsidized jobs that combine work, skill development, and support services). Transitional jobs are stepping stones to permanent employment for hard-to-employ customers, such as ex-offenders, and those with greater skill deficits. Chicago's transitional jobs pilot, funded through Welfare-to-Work (WtW), is a good start, but it is small and its funding has been exhausted. *National Advocacy Organization*
- Low-income women and minorities have suffered from occupational segregation, whether intentional or not, that blocks them from high-wage, non-traditional occupations. WIA should fund programs and practices that help them attain, retain, and advance in non-traditional jobs via pre-employment skills training, first-rate career counseling, and, where applicable, coordination with union apprenticeship programs. *National Advocacy Organization*
- We support stipends, transitional jobs, and ways to combine work and training. *Local Advocacy Organization*
- We will never get more people out of poverty unless TANF changes its focus and wakes up to the need for educational investments. *Local WIB Staff*
- Ability to serve individuals to the point of self-sufficiency is a great improvement over JTPA, where you were done as soon as you got a job. *Local Government Agency*

Access to Other Supports

- No one should have to live in poverty, so we still need a safety net for unemployed persons and low-wage workers. *Local Advocacy Organization*
- Stronger ties between supportive and employment services are needed to make WIA-TANF linkages work. *Local Advocacy Organization*

IV. One-Stop Career Centers

- We would appreciate more direct communication with DOL. We hope to expand on this forum to ensure that DOL has feedback from front-line service providers. Sometimes it is very difficult to make policy without hearing from the people who must try to implement it day to day. *Local Advocacy Organization*
- Universal Access—serving everyone as needed—is good in concept, but our interpretation and implementation has been bumpy. We are fighting our own image. *Local Government Agency*

Challenges to Integrating Services

- When customers have received intensive services elsewhere in the system, such as from TANF, One-Stops don't count that towards their sequence of services, which causes duplication. *Local Advocacy Organization*
- WIA partners ought to all have the same cost sharing criteria. Local One-Stops are spending too much time worrying about resource allocation instead of seamless services because each partner has its own rules. *Local Workforce Investment Board (WIB) Staff*

V. UI / ES Reform and the One-Stop System

Employer Services

- Each state will decide what to do with their Reed Act funds. My state had a 73% response rate from employers, who said they wanted their FUTA tax money used for benefits, not WIA. We should give more credit to employers because they pay the taxes and know what the funds go for. They are very vocal about how their FUTA taxes are used in UI. They have not been as vocal in Wagner-Peyser because they don't know that their FUTA taxes go there too. I would suggest informing employers that their FUTA taxes fund not only UI but also the public Employment Service, and asking them what they would want done there. *State One-Stop Partner: Unemployment Insurance*

Better Utilizing the Employment Service in One-Stops

- Universal services funded under WIA Title I duplicate Wagner-Peyser (Employment Service). The only difference is staffing (public sector in Wagner-Peyser, private sector in WIA Title I). WIA should require Wagner-Peyser staff to provide most if not all universal, mandated core services. That would stop the duplication. *Local Non-Profit Service Provider*

Unemployment Insurance (UI) Coverage

- The UI alternate base period should be improved to count more recently earned wages. This would benefit low-income people and those more recently attached to the workforce. *National Advocacy Organization*
- UI should allow part-time workers who are UI-eligible to also look for part-time work. This is very important for low-wage workers, especially women. *National Advocacy Organization*
- We have favored UI for part-time workers for a long time, but that is up to States. *State One-Stop Partner: Unemployment Insurance*
- UI benefits for employment and training should be allowed for anyone, not just dislocated workers. Low-income people cannot afford to obtain education and training without some sort of wage or subsidy. *National Advocacy Organization*

VI. Improved Opportunities for Training

- WIA eligibility determination is overly burdensome to service providers. DOL should re-examine its documentation requirements and accept participation in other programs as proof of eligibility. (For example, accept free school lunch participation as proof of low income for purposes of eligibility for WIA youth programs.) *Local Government Agency*

Training Funds

- Target expanding occupational training opportunities in high-wage growth industries. Targeting is needed because local areas have spent most of their funds setting up the infrastructure, so not enough is left for training. *National Advocacy Organization*
- Local areas need more money. Building the programs did not leave enough funds to meet customers' needs. There are many workers who lack basic skills and employers who lack qualified workers to fill their available jobs. (For example, about 20% of the commercial truck fleet in my state are idle due to the lack of qualified drivers.) *Local Advocacy Organization*
- WIA Title I is the only One-Stop partner that has to provide universal access. Other partners only need to serve currently eligible clients. As a result, universal access drains the funds that used to be targeted to training the high-need populations (such as ex-offenders) served under JTPA Title II-A. *Local Non-Profit Service Provider*
- Reserve WIA Title I for intensive and training services. *Local Non-Profit Service Provider*
- WIA should allow for increased funds for training during periods of economic downturn. *Local Government Agency*

Adult Programs

- WIA should include targeted funds to pay wages, or at least stipends, to training participants. This would improve low-income customers' access to training. Many of my clients say they cannot afford training because of the need to support themselves and their families. Most TANF recipients are not allowed to participate in training programs that do not pay wages. *National Advocacy Organization*
- WIA's two-tiered eligibility system (for employed versus unemployed job seekers) is unusable. No one takes it seriously. It would be much wiser to change the law than to ignore it. *Local Non-Profit Service Provider*
- WIA has radically reduced access to training for unskilled, unemployed workers, through both its sequence of services and its shift from contract to voucher-based training. *Local Non-Profit Service Provider*

Sequence of Services and “Work First” Policies

- Eliminate the sequential access to services. This has been a barrier to clients receiving services. The levels of service should be an array, not a sequence. *National Advocacy Organization*
- Prescribing the service sequence limits customer choice and discourages people from registering with the system. Individuals have missed registration periods for training due to having to finish one level before going to next, or have been forced to repeat services that they already received elsewhere. Services should be an array based on individually assessed need. *Local Advocacy Organization*
- WIA Title I radically cuts and bureaucratically restricts access to training as long as the customer can get any job. This blocks people from services that can lift them out of poverty. WIA is clearly written as a Work First law. The standard for accessing intensive or training services is subjective and based on employment only and says nothing about the quality of employment. But the economy more than ever needs a highly skilled workforce. We need to change the law, not ignore it. *Local Non-Profit Service Provider*
- Let eligibility for WIA training services be based on the need for a job that would raise the job-seeker above poverty level so that low-income persons can benefit, whether they are employed or unemployed. *Local Non-Profit Service Provider*
- Despite WIA’s flaws, Chicago has attempted to target resources to low-income populations in core and intensive services, but there are still problems with accessing training vouchers. *Local Non-Profit Service Provider*

Eligible Training Providers (ETPs) and Individual Training Accounts (ITAs)

- There are too few existing training providers. *National Advocacy Organization*
- Training vouchers should be the exception, not the rule, and used when accountable contract training is unavailable. Community-based WIA Title I providers are being wiped out, resulting in less choice than under JTPA contracted training. CBOs, not community colleges or for-profit providers, have the expertise to serve high-need populations. WIA has reduced customer choice despite the rhetoric. *Local Non-Profit Service Provider*
- There is no usable, workable system for ITA voucher eligibility. The current process is arbitrary and unfair, leaving it up to One-Stop operators to judge whether a customer could access jobs without training. *Local Non-Profit Service Provider*

Youth Programs

Eligibility Determination

- Many students fall between the cracks. Revisit the eligibility criteria and raise the discretionary spending level to serve at-risk students who don’t meet the current eligibility criteria. *Local One-Stop Partner: Youth*

Top-Priority Changes to WIA

- Pay more attention to fathers in terms of supporting access to training. *Local Advocacy Organization*
- We should think strategically to increase the engagement of the business community, not just throw more money at the problem. *Local Workforce Investment Board (WIB) Staff*
- Since resources are limited, we shouldn't give universal access at the expense of needier groups. *Local Non-Profit Service Provider*
- Universal services are very important. Too many people come in needing services and are turned away for earning \$100 too much. *Local WIB Staff*

Other Issues

Performance Measures

- Performance accountability has been compromised by giving One-Stop operators the ability to play games to generate good-looking numbers instead of focusing on quality service. Operators can control who is eligible, who gets "registered," and when customers "exit" the program. We need universal standards. *Local Non-Profit Service Provider*
- WIA's current performance measures are too abstract and don't meaningfully represent the value of workforce development. The following kinds of new measures should be added:
 - System responsiveness to business and to target populations.
 - Customer satisfaction and choice.
 - Overall effectiveness and progress in utilization levels, system efficiency, timeliness, and appropriateness of services.*Local Government Agency*
- The current performance measures do not recognize universal access, which sends the wrong message that it is not a priority. Much of the work performed in universal/core services is not officially recorded. We should emphasize universal services when evaluating quality and allocating funds. *Local Government Agency*
- Expected replacement wages for dislocated workers are often too ambitious, especially in the wake of massive industry-wide layoffs. DOL should consider lowering the replacement wage requirements for dislocated workers programs, at least based on economic indicators. *Local Government Agency*

TANF Reauthorization

- Eliminate the 30% cap on vocational education and training. *Local One-Stop Partner: Youth, Adult Education, Vocational Education*
- Increase from 12 to 24 months the time that vocational training can count towards TANF work participation requirements. This would help TANF recipients get the above-entry-level jobs they need. *Local One-Stop Partner: Youth, Adult Education, Vocational Education*

Sectoral Initiatives

- We hope DOL will continue its targeted funding for sector-specific training projects. Federal law and policy should not only encourage, but require customized training that meets the needs of both employers and low-income people. *National Advocacy Organization*
- We support DOL's continuing support of sector-specific funding. Sectoral and customized training have several positive outcomes, such as access to opportunities for low-income workers and retaining local industries. *Local Advocacy Organization*

Non-Custodial Parents / Fatherhood

- There is no legislation aimed at fathers. Fathers are an overlooked resource in terms of providing support, financial and otherwise so that they can access training and become part of economic development strategy. We especially need to concentrate on fathers in neighborhoods with a high concentration of ex-offenders. *Robert Wordlaw, Executive Director, Chicago Jobs Council*

Ex-Offenders

- Ex-offenders are a big problem in major cities. In Chicago, they are concentrated in five zip codes and present major economic development issues. In April, there were 27,500 TANF adults available to work, which was less than the 28,000 people released from prison. There have been small attempts to recognize ex-offenders, but they don't go far enough. They need targeted funding and programs. *Local Advocacy Organization*